

# **CITY COUNCIL AGENDA REPORT**

**SUBJECT:** Amendment to California Super Market Pay Station Services Agreement

**AGENDA DATE:** October 7, 2008

**PREPARED BY:** Judith Hashem, Finance Director

**APPROVED BY:** Ralph Velez, City Manager



**RECOMMENDATION:**

The City Council is requested to take the following action:

1. Authorize the City Manager to execute the Amendment to the month-to-month contractual agreement with California Super Market for pay station services for utility bill payments.

**FISCAL IMPACT:**

An agreement has been reached and if approved by City Council, will provide (2) additional pay stations for utility bill payments. The fee for this service is \$.28 per transaction and currently the City pays California Super Market on average for the past year \$36 per month for the pay station.

**BACKGROUND:**

The City currently contracts with California Super Market and El Sol Market as payment stations for City utility bills. Each transaction handled outside of City Hall saves valuable minutes of staff time that can be used to perform other office duties, thereby resulting in a far greater value than the cost of the contractor services.

The Finance Department has been approached by California Super Market about the possibility of expanding the service to their other locations at 127 Second Street and 363 West Second Street. We have discussed the matter and believe the agreement would benefit all parties, including the customer, the City, and California Super Market.

## AMENDMENT TO PAYMENT AGENCY COLLECTION AGREEMENT

THIS AMENDMENT TO THE AGREEMENT is made and entered into on this 7th day of October 2008, by and between the City of Calexico ("City"), a California municipal corporation and California Super Market, ("Contractor").

### RECITALS

A. The City and California Super Market ("Contractor") entered into that certain agreement, dated July 17, 2007 ("Payment Agency Collection Agreement"), whereby the City granted to California Super Market the authorization to accept utility payments from City customers at 601 Imperial Avenue, Calexico, California; and

B. The City and Contractor have negotiated (2) additional California Super Market locations in the City of Calexico at the following locations:

127 Second Street, Calexico, California  
363 West Second Street, Calexico, California

### AGREEMENT

For good and valuable consideration, the receipt and sufficiency of which are acknowledged, the City and Contractor agree as follows:

1. Amendment of Section 1.

Section 1.a) is amended in its entirety to read as follows:

"Subject of the terms herein, Contractor is hereby authorized to accept utility payments from City's customers at the following locations:

601 Imperial Avenue  
Calexico, California 92231

127 Second Street  
Calexico, California 92231

363 Second Street  
Calexico, California 92231"

Section 1.i) is amended in its entirety to read as follows:

"Contractor shall not be entitled to (1) withhold transmittal to City on a timely basis of any funds received hereunder, (2) commingle City funds received

hereunder with funds of any other party, including contractor, (3) commingle City funds received from each pay station location, or (4) deposit City funds in any depository not specified by City in writing.”

Section 1.m) is amended in its entirety to read as follows:

“All funds received by Contractor under this Agreement for each of the (3) pay station locations shall be delivered to City in (3) separate bags daily no later than 9:00 a.m. for the previous day’s payments received (or on such other schedule as specified in writing by City) in the form submitted to Contractor by City’s customer (checks, money orders, etc.), except that cash payments made by such customers shall be converted to:

Check payable to the City of Calxico”

2. Continuing Effect. Except as expressly modified or amended by this Amendment, all terms and provisions of the Payment Station Collection Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the date first written above.

CITY OF CALEXICO:

CONSULTANT:

\_\_\_\_\_  
Ralph Velez  
City Manager

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APPROVED AS TO FORM:

ATTEST:

\_\_\_\_\_  
Jennifer M. Lyon  
City Attorney

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Lourdes Cordova  
City Clerk